



A03-0023 07/16/01

***National
Environmental
Achievement Track***

Application Form

Valspar Coatings

Name of facility

The Valspar Corporation

Name of parent company (if any)

2000 Westhall Street

Street address

Street address (continued)

Pittsburgh, PA 15233

City/State/Zip code

Give us information about your contact person for the
National Environmental Achievement Track Program.

Name Bill Hudanick

Title Environmental Supervisor

Phone 412/734-8666

Fax 412/766-5835

E-mail bhudanick@Valspar.com

Why do we need this information?

EPA needs background information on your facility to evaluate your application.

What do you need to do?

- Provide background information on your facility.
- Identify your environmental requirements.

Section A

Tell us about your facility.

1 What do you do or make at your facility?

The Pittsburgh facility produces packaging coatings which are applied to metal surfaces to protect food contents and containers. These coatings protect the taste of the packed products and, at the same time, protect the container from product attacks. The coatings are both solvent based and water based.

2 List the Standard Industrial Classification (SIC) code(s) or North American Industrial Classification System (NAICS) codes that you use to classify business at your facility.

SIC
2851

NAICS
32551

3 Does your company meet the Small Business Administration definition of a small business for your sector?

☐ Yes

☒ No

4 How many employees (full-time equivalents) currently work at your facility?

☐ Fewer than 50

☒ 50-99

☐ 100-499

☐ 500-1,000

☐ More than 1,000

Section A, continued

5 Does your facility have an EPA ID number(s)?

☒ Yes

☐ No

If yes, list in the right-hand column.

EPA ID # 014989503

6 Identify the environmental requirements that apply to your facility. Use the Environmental Requirements Checklist, at the back of the instructions, as a reference. List your requirements to the right **or** enclose a completed Checklist with your application.

See attached checklist.

7 Check the appropriate box in the right-hand column.

☐ I've listed the requirements above.

☒ I've enclosed the Checklist with my application.

8 Optional: Is there anything else you would like to tell us about your facility?

The Pittsburgh Plant won the 2000 Pennsylvania Governor's Award for Environmental excellence. Also in 2000, the plant was awarded the corporation's President Award for safety and environmental achievements. The Plant won the 1998 NPCA (National Paint and Coatings Association) Pollution Prevention Award. In 1999, the Facility qualified for OSHA's VPP Program at the "Star" level.

Section B

Tell us about your EMS.

Why do we need this information?

Facilities need to have an operating Environmental Management System (EMS) that meets certain requirements.

What do you need to do?

- Confirm that your EMS meets the Achievement Track requirements.
- Tell us if you have completed a self-assessment or have had a third-party assessment of your EMS.

1 Check **yes** if your EMS meets the requirements for each element below as defined in the instructions.

a. Environmental policy

☒ Yes

b. Planning

☒ Yes

c. Implementation and operation

☒ Yes

d. Checking and corrective action

☒ Yes

e. Management review

☒ Yes

2 Have you completed at least one EMS cycle (plan-do-check-act)?

☒ Yes

3 Did this cycle include both an EMS and a compliance audit?

☒ Yes

4 Have you completed an objective self-assessment or third-party assessment of your EMS?

☒ Yes

If yes, what method of EMS assessment did you use?

☒ Self-assessment

☐ GEMI

☐ Other

☐ CEMP

Corporate Audit (HSE)

☐ Third-party assessment

☐ ISO 14001 Certification

☐ Other

Why do we need this information?

Facilities need to show that they are committed to improving their environmental performance. This means that you can describe past achievements and will make future commitments.

What do you need to do?

Refer to the Environmental Performance Table in the instructions to answer questions 1 and 2.

Section C

Tell us about your past achievements and future commitments.

1 Describe your past achievements for at least two environmental aspects. If you need more space than is provided, attach copies of this page.

Note to small facilities: If you qualify as a small facility as defined in the instructions, you need to report past achievement for at least one environmental aspect.

First aspect you've selected

What aspect have you selected?	What was the previous level (2 years ago)?		What is the current level?	
	Quantity	Units	Quantity	Units
Hazardous Waste Reduction	1999	Lbs.	2000	Lbs.
	330,156		255,230	
<p>i. How is the current level an improvement over the previous level?</p> <p>We have reduced hazardous waste generation by 23 % over the past two years. Currently in 2001 we are tracking a 13% reduction of waste generated in 2000.</p>				
<p>ii. How did you achieve this improvement?</p> <p>By establishing a Hazardous Waste Team and meeting monthly. Results are tabulated and action plans established. We have now increased tracking to daily recording waste generation and putting the information on the takt chart during the morning meeting.</p>				

Second aspect you've selected

What aspect have you selected?	What was the previous level (2 years ago)?		What is the current level?	
Rework Inventory Reduction	Quantity 45,000	Units gallons	Quantity 7,000	Units gallons
<p>i. How is the current level an improvement over the previous level?</p> <p>A few years ago our potential rework pile grew to almost 50,000 gallons. Through a concerted effort of management this pile has been reduced to <5,000 gallons today. Although, 80% of the material was successfully reworked into like products, ~ 20% of the material was scrapped.</p> <p>ii. How did you achieve this improvement?</p> <p>Established a Rework Team, consisting of formulators, operators and managers, which met monthly to discuss possible avenues for the material. We have also added rework usage to our daily takt charts in order to closely monitor daily progress.</p>				

- 2 Select at least four environmental aspects (no more than two from any one category) from the Environmental Performance Table in the instructions and then tell us about your future commitments. If you need more space than is provided, attach copies of this page.

Note to small facilities: If you are a small facility, you need to make commitments for at least two environmental aspects in two different categories.

First aspect you've selected

- a. What is the aspect?
- Hazardous Solid Waste
- b. Is this aspect identified as significant in your EMS?
- ☒ Yes ☐ No
- c. What is the current level? You may choose to state this as an absolute value or in terms of units of production or output.
- ☐ Option A:
Absolute value

☒ Option B:
In terms of
units of production
or output

(Quantity/Units)

255,230/Lbs. of waste
(Quantity/Units)

d. What is the level you are committing to achieve over the next three years? You may choose to state this as an absolute level or in terms of units of production or output.

- ☐ Option A:
Absolute value
(Quantity/Units)
- ☒ Option B:
In terms of units of production or output
190,000/Lbs. of waste
(Quantity/Units)

e. How will you achieve this improvement?

Meeting a 10% a year reduction in waste generation by continuing to meet monthly as a team to determine and implement ideas for source reduction. Such ideas will include updating cleaning procedures for new equipment, researching current cleaning procedures to minimize solvent usage, increased attention to production scheduling in order to temporarily dedicate equipment to avoid unnecessary clean-ups thus minimizing waste.

Second aspect you've selected

a. What is the aspect?

Emissions of VOCs

b. Is this aspect identified as significant in your EMS?

☒ Yes ☐ No

c. What is the current level? You may choose to state this as an absolute value or in terms of units of production or output.

- ☐ Option A:
Absolute value
(Quantity/Units)
- ☒ Option B:
In terms of units of production or output
5.12/tons of VOC
(Quantity/Units)

d. What is the level you are committing to achieve over the next three years? You may choose to state this as an absolute level or in terms of units of production or output.

- ☐ Option A:
Absolute value
(Quantity/Units)
- ☒ Option B:
In terms of units of production or output
3.84/tons of VOC
(Quantity/Units)

e. How will you achieve this improvement?

Valspar realizes the damage that VOCs can potentially cause the environment. Therefore, we have managed a competitive technology that lowers VOCs goal of no VOCs. No VOCs by replacing solvent based products with waterborne formulation. This will be the driving force for a 25% reduction in VOC throughout the next three years.

Third aspect you've selected

- a. What is the aspect?
- b. Is this aspect identified as significant in your EMS?
- c. What is the current level? You may choose to state this as an absolute value or in terms of units of production or output.
- d. What is the level you are committing to achieve over the next three years? You may choose to state this as an absolute level or in terms of units of production or output.
- e. How will you achieve this improvement?

Product Performance - Expected Waste

☒ Yes ☐ No

☒ Option A:
Absolute value 60 Defective batches/yr
(Quantity/Units)

☐ Option B:
In terms of
units of production (Quantity/Units)
or output

☒ Option A:
Absolute value 30 Defective batches/yr
(Quantity/Units)

☐ Option B:
In terms of
units of production (Quantity/Units)
or output

100% customer satisfaction is, of course, Valspar's goal. We do not expect to have customers sending back a product due to non-conformance. We have developed processes to ensure the product is made right the first time (in spec.) and do not ship substandard product. Our Sales force does offer a Take-Back program for coatings bought and not used. However, being a Make-To-Order facility, a customer very rarely orders more than is needed. This effort will allow us to achieve the annual goal mentioned in Past Achievement #1.

Fourth aspect you've selected

- a. What is the aspect?
- b. Is this aspect identified as significant in your EMS?
- c. What is the current level? You may choose to state this as an absolute value or in terms of units of production or output.
- d. What is the level you are committing to achieve over the next three years? You may choose to state this as an absolute level or in terms of units of production or output.

Energy Use - Total Energy Usage

☐ Yes ☐ No

☒ Option A:
Absolute value 5,625M KWHrs
(Quantity/Units)

☐ Option B:
In terms of
units of production (Quantity/Units)
or output

☒ Option A:
Absolute value 5,050M KWHrs
(Quantity/Units)

☐ Option B:
In terms of
units of production (Quantity/Units)
or output

e. How will you achieve this improvement?

We have entered into a contract with a local company to track and reduce utility costs by conservation and modifying our load factors. The company is Utility Cost Cutters and the yearly energy savings are shared.

Why do we need this information?

Facilities need to demonstrate their commitment to public outreach and performance reporting. You should have appropriate mechanisms in place to identify community concerns, to communicate with the public, and to provide information on your environmental performance.

Section D

Tell us about your public outreach and reporting.

What do you need to do?

- Describe your approach to public outreach.
- List three references who are familiar with your facility.

1 How do you identify and respond to community concerns?

We are audited yearly by the ACHD (Allegheny County Health Department). We have achieved perfect scores the past three years. We are audited yearly by the PA DEP. We also have the local Fire Department tour the facility yearly. In 1997, we hosted the yearly emergency response drill for the city of Pittsburgh.

2 How do you inform community members of important matters that affect them?

We maintain relationships with community organizations. Such a relationship involves contacting them as well as neighboring businesses when conducting on site fire drills or in the in the event of a chemical spill or release.

3 How will you make the Achievement Track Annual Performance Report available to the public?

☐ Website www.valspar.com

☐ Newspaper

☒ Open Houses

☐ Other

Video

4 Are there any ongoing citizen suits against your facility? ☐ Yes ☒ No

If yes, describe briefly in the right-hand column.

5 List references below

	<i>Organization</i>	<i>Name</i>	<i>Phone number</i>
<i>Representative of a Community/ Citizen Group</i>	Brighton Heights Citizen Federation	Donna Scullon	412-761-1204
<i>State/Local Regulator</i>	PA DEP	Judy Neelan	
<i>Other community/local reference</i>	Allegheny County Health Department	Dan Morgan	412-578-8118

Section E

Application and Participation Statement.

On behalf of Valspar Coatings, Pittsburgh Plant
[my facility],

I certify that

- I have read and agree to the terms and conditions, as specified in the *National Environmental Achievement Track Program Description* and in the *Application Instructions*;
- I have personally examined and am familiar with the information contained in this Application (including, if attached, the Environmental Requirements Checklist). The information contained in this Application is, to the best of my knowledge and based on reasonable inquiry, true, accurate, and complete, and I have no reason to believe the facility would not meet all program requirements;
- My facility has an environmental management system (EMS), as defined in the Achievement Track EMS requirements, including systems to maintain compliance with all applicable federal, state, tribal, and local environmental requirements, in place at the facility, and the EMS will be maintained for the duration of the facility's participation in the program;
- My facility has conducted an objective assessment of its compliance with all federal, state, tribal, and local environmental requirements, and the facility has corrected all identified instances of potential or actual noncompliance;
- Based on the foregoing compliance assessment and subsequent corrective actions (if any were necessary), my facility is, to the best of my knowledge and based on reasonable inquiry, currently in compliance with applicable federal, state, tribal, and local environmental requirements.

I agree that EPA's decision whether to accept participants into or remove them from the National Environmental Achievement Track is wholly discretionary, and I waive any right that may exist under any law to challenge EPA's acceptance or removal decision.

I am the senior facility manager and fully authorized to execute this statement on behalf of the corporation or other legal entity whose facility is applying to this program.

Signature/Date

Printed Name/Title James L. Brown, P.E. / Plant Manager

Facility Name Valspar Coatings - Pittsburgh Plant

Facility Street Address 2000 Westhall Street

Facility ID Numbers SIC - 2851
NAICS - 32551
EPA ID # 014989503

National Environmental Achievement Track

Environmental Requirements Checklist

We've included the following Checklist to help you answer questions in Section A, Tell us about your facility. The Checklist will help you identify the major federal, state, tribal, and local environmental requirements that apply at your facility, but it is not an exhaustive list of all environmental requirements that may be applicable at your facility.

If you use this Checklist and choose to submit it with your application, fill in your facility information below and enclose the completed Checklist with your application (see instructions).

Air Pollution Regulations

Check All That Apply

- ☐ 1. National Emission Standards for Hazardous Air Pollutants (40 CFR 61)
- ☒ 2. Permits and Registration of Air Pollution Sources
- ☒ 3. General Emission Standards, Prohibitions and Restrictions
- ☐ 4. Control of Incinerators
- ☒ 5. Process Industry Emission Standards
- ☐ 6. Control of Fuel Burning Equipment
- ☒ 7. Control of VOCs
- ☐ 8. Sampling, Testing and Reporting
- ☒ 9. Visible Emissions Standards
- ☐ 10. Control of Fugitive Dust
- ☐ 11. Toxic Air Pollutants Control
- ☐ 12. Vehicle Emissions Inspections and Testing

- ☐ 13. Other (you must list these) Federal, State, Tribal or Local Regulations Not Listed Above

Hazardous Waste Management Regulations

Check All That Apply

- ☒ 1. Identification and Listing of Hazardous Waste (40 CFR 261)
 - ☒ - Characteristic Waste
 - ☒ - Listed Waste
- ☒ 2. Standards Applicable to Generators of Hazardous Waste (40 CFR 262)
 - ☒ - Manifesting
 - ☒ - Pre-transport requirements
 - ☒ - Record keeping/reporting
- ☐ 3. Standards Applicable to Transporters of Hazardous Waste (40 CFR 263)
 - ☐ - Transfer facility requirements
 - ☐ - Manifest system and record-keeping
 - ☐ - Hazardous waste discharges
- ☐ 4. Standards for Owners and Operators of TSD Facilities (40 CFR 264)
 - ☐ - General facility standards
 - ☐ - Preparedness and prevention
 - ☐ - Contingency plan and emergency procedures
 - ☐ - Manifest system, Record keeping and reporting

- ☐ - Groundwater protection
- ☐ - Financial requirements
- ☐ - Use and management of containers
- ☐ - Tanks
- ☐ - Waste piles
- ☐ - Land treatment
- ☐ - Incinerators
- ☒ 5. Interim Standards for TSD Owners and Operators (40 CFR 265)
- ☐ 6. Interim Standards for Owners and Operators of New Hazardous Waste Land Disposal Facilities (40 CFR 267)
- ☐ 7. Administered Permit Program (Part B) (40 CFR 270)
- ☐ 8. Other (you must list these) Federal, State, Tribal or Local Regulations Not Listed Above

Hazardous Materials Management

Check All That Apply

- ☒ 1. Control of Pollution by Oil and Other Hazardous Substances (33 CFR 153)
- ☒ 2. Designation of Reportable Quantities and Notification of Hazardous Materials Spill (40 CFR 302)
- ☒ 3. Hazardous Materials Transportation Regulations (49 CFR 172-173)
- ☒ 4. Worker Right-to-Know Regulations (29 CFR 1910.1200)
- ☒ 5. Community Right-to-Know Regulations (40 CFR 350-372)
- ☐ 6. Other (you must list these) Federal, State, Tribal or Local Regulations Not Listed Above

Solid Waste Management

Check All That Apply

- ☐ 1. Criteria for Classification of Solid Waste Disposal Facilities and Practices (40 CFR 257)
- ☐ 2. Permit Requirements for Solid Waste Disposal Facilities
- ☐ 3. Installation of Systems of Refuse Disposal
- ☒ 4. Solid Waste Storage and Removal Requirements
- ☒ 5. Disposal Requirements for Special Wastes
- ☐ 6. Other (you must list these) Federal, State, Tribal or Local Regulations Not Listed Above

Water Pollution Control Requirements

Check All That Apply

- ☒ 1. Oil Spill Prevention Control and Countermeasures (SPCC) (40 CFR 112)
- ☒ 2. Designation of Hazardous Substances (40 CFR 116)
- ☒ 3. Determination of Reportable Quantities for Hazardous Substances (40 CFR 117)
- ☒ 4. NPDES Permit Requirements (40 CFR 122)

- ☐ 5. Toxic Pollutant Effluent Standards (40 CFR 129)
- ☒ 6. General Pretreatment Regulations for Existing and New Sources (40 CFR 403)
Name of POTW
ID # of POTW
- ☒ 7. Organic Chemicals Manufacturing Point Source Effluent Guidelines and Standards (40 CFR 414)
- ☐ 8. Inorganic Chemicals Manufacturing Point Source Effluent Guidelines and Standards (40 CFR 415)
- ☐ 9. Plastics and Synthetics Point Source Effluent Guidelines and Standards (40 CFR 416)
- ☒ 10. Water Quality Standards
- ☐ 11. Effluent Limitations for Direct Dischargers
- ☒ 12. Permit Monitoring/Reporting Requirements
- ☐ 13. Classifications and Certifications of Operators and Superintendents of Industrial Wastewater Plants
- ☐ 14. Collection, Handling, and Processing of Sewage Sludge
- ☐ 15. Oil Discharge Containment, Control and Cleanup
- ☐ 16. Standards Applicable to Indirect Discharges (Pretreatment)
- ☐ 17. Other (you must list these) Federal, State, Tribal or Local Regulations Not Listed Above

Drinking Water Regulations

Check All That Apply

- ☐ 1. Underground Injection and Control Regulations, Criteria and Standards (40 CFR 144, 146)
- ☐ 2. National Primary Drinking Water Standards (40 CFR 141)
- ☐ 3. Community Water Systems, Monitoring and Reporting Requirements (40 CFR 141)
- ☐ 4. Permit Requirements for Appropriation/Use of Water from Surface or Subsurface Sources
- ☐ 5. Underground Injection Control Requirements
- ☐ 6. Monitoring, Reporting and Record keeping Requirements for Community Water Systems
- ☐ 7. Other (you must list these) Federal, State, Tribal or Local Regulations Not Listed Above

Toxic Substances

Check All That Apply

- ☒ 1. Manufacture and Import of Chemicals, Record-keeping and Reporting Requirements (40 CFR 704)
- ☒ 2. Import and Export of Chemicals (40 CFR 707)
- ☒ 3. Chemical Substances Inventory Reporting Requirements (40 CFR 710)
- ☒ 4. Chemical Information Rules (40 CFR 712)
- ☒ 5. Health and Safety Data Reporting (40 CFR 716)
- ☐ 6. Pre-Manufacture Notifications (40 CFR 720)

- ☐ 7. PCB Distribution Use, Storage and Disposal (40 CFR 761)
- ☐ 8. Regulations on Use of Fully Halogenated Chlorofluoroalkanes (40 CFR 762)
- ☐ 9. Storage and Disposal of Waste Material Containing TCDD (40 CFR 775)
- ☐ 10. Other (you must list these) Federal, State, Tribal or Local Regulations Not Listed Above

Pesticide Regulations

Check All That Apply

- ☐ 1. FIFRA Pesticide Use Classification (40 CFR 162)
- ☐ 2. Procedures Storage and Disposal of Pesticides and Containers (40 CFR 165)
- ☐ 3. Certification of Pesticide Applications (40 CFR 171)
- ☐ 4. Pesticide Licensing Requirements
- ☐ 5. Labeling of Pesticides
- ☐ 6. Pesticide Sales, Permits, Records, Application and Disposal Requirements
- ☐ 7. Disposal of Pesticide Containers
- ☐ 8. Restricted Use and Prohibited Pesticides
- ☐ 9. Other (you must list these) Federal, State, Tribal or Local Regulations Not Listed Above

Environmental Clean-Up, Restoration, Corrective Action

Check All That Apply

- ☐ 1. Comprehensive Environmental Response, Compensation and Liability Act (Superfund) (Please identify)
- ☐ 2. RCRA Corrective Action
- ☐ 3. Other (you must list these) Federal, State, Tribal or Local Regulations Not Listed Above

Facility Name Valspar Coatings - Pittsburgh Plant
Facility Location: Pittsburgh, PA
Facility ID Number(s): SIC - 2851
NAICS - 32551
EPA ID# - 014989503

April, 2001

Valspar Coatings, Pittsburgh Health, Safety, and Environmental Management System

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I. COMMITMENT AND ACCOUNTABILITY

I. A. Health, Safety and Environmental Policy

Purpose

Define, document, communicate, implement, and maintain, a health, safety, and environmental (HSE) policy that includes a commitment of Site Management to:

- compliance with applicable legal and other requirements;
- continual improvement of the HSE management system and related performance;
- setting HSE goals;
- prevention of pollution; and
- continuous efforts to minimize environmental impacts and preventable work-related illnesses, injuries, and fatalities.

The HSE policy, which should be communicated to all employees and made available to the public, is the foundation of the HSE management system. The policy, which needs to be approved by site management, should establish basic corporate goals and guide decision-making with respect to HSE issues.

Within Valspar, the HSE policy will focus attention on HSE issues and direct personnel regarding HSE expectations and performance. Externally, the policy will serve as Valspar's public commitment to addressing HSE issues and continually improving performance.

Implementation Approach

- Evaluate existing Valspar Coatings, Pittsburgh HSE policy(ies) to determine overall conformance and adequacy
- Benchmark within the organization
- Refine the policy and obtain Site Management approval
- Communicate the policy to all employees and contractors
- Make the policy available to interested external parties
- Establish a procedure to periodically review and revise the HSE policy as necessary

I. B. Organization, Responsibility and Accountability

Purpose

Establish clear, documented roles, responsibilities, and authorities to implement and maintain the HSE management system. The objectives of this element are to ensure that:

- personnel involved in HSE activities, including Key Responsibility Area (KRA) supervisors, have a clear understanding of their roles and responsibilities within the management system;
- site management is kept informed of management system performance so that improvements can be made as necessary; and
- involved personnel, including supervisors, understand the accountabilities that are built into the system.

From an organizational perspective, visible site management commitment to and support of HSE management programs is essential. Without such commitment and support, the HSE management system is prone to implementation failure on a long-term basis. A well-defined organizational structure (job families) with clearly understood roles and responsibilities will promote efficient and effective system implementation and maintenance.

Implementation Approach

- Identify HSE tasks associated with the HSE management system.
- Ensure that all such tasks are assigned to a specific position(s) or contracted.
- Define, document, and communicate roles and responsibilities.
- Delineate accountabilities as a means of driving consistently high levels of HSE performance. Describe incentive programs for supervisors and employees to perform in accordance with the HSE policy, standards, and procedures. Describe potential consequences for departure from specified operating procedures.
- Develop position descriptions and performance standards for key HSE positions per job family.

The effective communication of this information is critical to employee understanding. Organizational charts, job descriptions, and written procedures are typical means of communicating roles and responsibility and maintaining the information in a readily accessible form. Clearly defined roles and responsibilities will lead to the establishment of system accountabilities, which will enhance the opportunities for improved HSE performance, as measured by established metrics.

I. C. Resources

Purpose

Provide adequate human, technological, and financial resources to successfully implement the HSE policy. In its most elementary mode, this element addresses the following items relative to the HSE management system:

- availability of a sufficient number of qualified HSE personnel to perform the activities associated with the roles delineated in I.B.;
- consistency of HSE staff distribution with the existing business organization and risk profile; and
- availability of technological and financial resources as needed.

Adequate resources are essential to full implementation of the HSE management system; better to simplify the system to match available resources than to "cut corners" on implementation, thereby potentially jeopardizing overall system effectiveness. The "matching" of human resources with technological and financial resources creates a strong platform to build and implement the management system.

Implementation Approach

- Perform a needs analysis for each position identified as having substantive HSE responsibilities

- Determine if existing resources are adequate based upon the needs analysis
- If resource gaps are identified, examine available options, including changes in organizational roles and responsibilities
- Periodically review the adequacy of resources and take appropriate action as discussed above

II. PLANNING

II. A. Strategic Planning

Purpose

Establish and update HSE objectives and related targets consistent with Valspar's Corporate Environmental Policy.

Implementation Approach

On an annual basis the Site Manager and selected group of individuals will participate in the strategic planning process. This will insure that HSE focus will be placed at the core of the planning process for the facility each fiscal year.

II. B. Compliance Assurance

Purpose

Identify and assure compliance with legal and other HSE requirements on a continuing basis. The Valspar Coatings, Pittsburgh Plant HSE compliance assurance program has the following critical components:

- Identify, interpret, and communicate HSE requirements to affected employees, on-site service providers, and contractors
- Identify hazards through BASE observations, Safety Tours, Job Hazard analysis, industrial hygiene monitoring etc.
- Prioritize control actions based on risk

- Prevent compliance issues from occurring by systematically planning, scheduling, and performing activities (compliance assurance tasks) in a systematic manner
- Use existing Safety Tour and BASE a process for routinely assessing operations to check on the effectiveness of compliance assurance activities
- Correct compliance issues that are identified through addressing the root cause(s)
- Train employees to ensure they understand the applicable requirements of their jobs and how to perform their jobs in a fully compliant manner

The compliance assurance program is closely aligned with the HSE management system.

Implementation Approach

- Identify all regulatory and other HSE requirements through the yearly review process
- Track items using the Plant Regulatory Calendar
- Establish and assign compliance tasks to specific personnel during the yearly review
- Train employees following the Plant Training Matrix
- Monitor the completion of tasks
- Yearly evaluate the compliance status of the facility and ensure prompt and complete corrective action for any identified compliance issues

II. C. HSE Impacts Evaluation

Purpose

Develop a more complete understanding of how actions/processes affect the environment, worker safety, and the public. Evaluate organizational processes and functions to create a complete inventory of the various ways in which these processes and functions interact with, and affect, the environment. Systematically assign priorities to actively manage those processes and functions that have the greatest impact.

The process of identifying HSE impacts typically reveals opportunities for HSE programs improvement. A complete list of HSE impacts will focus attention on priority issues and target HSE resources, risk assessment, and continual improvement.

Implementation Approach

- Use yearly review, BASE Committee, and Audits to identify HSE impact items

- Examine each component of operations and support activities and identify the various processes and work functions that occur there
- Identify HSE impacts and record those that are significant

II. D. HSE Objectives and Action Plans

Purpose

Establish measurable objectives derived from the HSE policy to guide performance improvement. Utilize leading indicators to establish objectives where applicable. These objectives should be developed consistent with performance expectations as referenced in the HSE policy. The HSE objectives will be linked to specific action plans that will address how these goals will be met.

The setting of objectives and the development of action plans are important components of the HSE management system. Both activities signify the commitment of management and other personnel to the system. The objectives are also a means of guiding an organization, at least partly, through the process of continual improvement. Without objectives and action plans, it would be difficult to show evidence that progress has been made when compared to a previous period.

Implementation Approach

- Identify significant environmental impacts as prime candidates for objective-setting
- Use the yearly review as a framework for setting objectives
- Set objectives commensurate with the overall organization
- Involve a wide-base of personnel in setting goals and developing the action plans (they will be largely responsible for implementing the plans)
- Establish measurable indicators

III. IMPLEMENTATION

III. A. HSE Awareness, Training, and Motivation

Purpose

Provide personnel with the knowledge and motivation they need to accomplish their assigned roles and responsibilities within the HSE management system. The objectives of this element are as follows:

- Follow Plant Training Matrix for training all employees on site;
- Identify the training needs of personnel within the job family in order to perform their jobs within the context of the HSE management system and update Plant Training Matrix;
- Ensure that employees performing work that has the potential for significant impact are competent in performing such work;
- Ensure that all employees receive the training required by HSE regulations; and
- Identify means of motivating positive behavior (utilizing BASE behavior modification program).

Well-trained and motivated employees consistently perform at a higher level than those employees not fully trained. Surveys have shown that the top reason for noncompliance in an industrial setting is lack of knowledge (an employee did not understand what was required and specifically what needed to be done). Although there is typically a considerable investment made in training, the expected increase in performance generally more than offsets the initial and continuing investment.

Implementation Approach

- Use Plant training matrix that shows HSE training needs for employees with HSE management system responsibilities
- Ensure that all employees receive the required training

- Maintain training records and documents, including the training materials used in the course
- Implement a means of increasing employee awareness of the HSE management system

III. B. Communication and Reporting

Purpose

Utilize Quarterly Review Meetings and daily Safety Huddles to routinely communicate to the employees within Valspar Coatings, Pittsburgh Plant. Employees who are fully informed of pertinent HSE management information and issues surrounding the system (and who feel included in the process) are more likely to be motivated and committed to achieving the Plant's HSE goals. In a similar fashion, the external communication process is intended to foster a more cooperative and facilitative relationship between Valspar and external stakeholders, including, but not limited to, regulatory agencies, fire departments and local emergency planning commissions.

Objectives of a communication and reporting procedure include the following:

- Facilitated two-way communication between employees at all levels and functions;
- Make employees aware of the HSE policy and HSE procedures necessary to conduct their work;
- Employ consistent communication mechanisms such as "Safety Huddles" and Quarterly Review Meetings to convey HSE information to employees on a routine basis;
- Inform employees of HSE performance;
- Provide employees with an opportunity to voice their concerns about HSE issues without fear of reprisal (BASE, EMPT Committees);
- Handle external communication in a systematic manner; and
- Strive for consistency in external communications.

Implementation Approach

- Establish and implement an internal communication programs (informal and formal)
- Enhance existing internal communication processes regarding the HSE management system

- Establish and implement an external communication program for both inquiries/complaints that are received as well as communications initiated by the organization.

III. C. Document Management

Purpose

Leveraging existing document management and control systems that exist as part of a quality management system, establish a procedure that describes how HSE documents are managed and controlled. The procedure needs to ensure the following:

- Documents are correct, complete, and up-to-date;
- Documents can be readily located and are current and available for those who need them;
- Documents are reviewed periodically;
- External documents (such as policies, laws, regulations, permits, and standards) are also controlled to the extent necessary;
- Obsolete documents are removed from service; and
- A process for the development, documentation, communication, maintenance, and revision of HSE procedures.

The overall system should be kept as simple as possible. The more complicated the system is, the more likely it is to fail.

Implementation Approach

- Review the existing document control system (part of quality management systems) for use in the HSE Management System
- Modify, as necessary, the existing document control system to meet the requirements of the HSE management system
- Implement the document control system over an extended period of time to ensure an orderly transition and a complete "capture" of documents

III. D. Records Management

Purpose

Identify the types of records that are generated in support of the HSE management system, who maintains them and where, and protocols for responding to inquiries and requests for the release of information. Objectives of the record management process in the HSE management system include the following:

- HSE records are legible, identifiable, and traceable to the activity, product, or service involved;
- Store and maintain HSE records in such a way that they are readily retrievable and protected against damage, deterioration, or loss;
- Records are periodically reviewed, revised as necessary, and approved for adequacy by authorized personnel;
- Specified records, such as personnel medical records, are maintained in a strictly confidential manner; and
- Appropriate retention times are established and maintained.

Records need to be sufficient to demonstrate implementation of the HSE management system and allow for the review/verification of system implementation by an auditor.

Implementation Approach

- Review the existing Valspar records management system (part of a quality management system) for use in the HSE Management System
- Modify, as necessary, the existing records management system to meet the requirements of the HSE management system
- Implement the records management system over an extended period of time to ensure an orderly transition and a complete "capture" of records
- Ensure that all legal requirements for records management are being met

III. E. Operational Controls

Purpose

Identify operations and activities that are associated with significant HSE impacts, specify operating criteria, and document situations where the absence of controls could lead to deviations from the HSE Policy, objectives, requirements, or lead to environmental or worker safety concerns. Develop, approve, communicate, implement, and maintain documented standard operating practices/work instructions to prevent potential violations, pollutant releases, safety incidents, etc. Communicate relevant operating procedures to suppliers and contractors.

Operational control procedures should follow a “Do-Check-Correct-Act” approach. To accomplish this, the following steps are utilized:

- Establish the operational control requirements for the activity in question;
- Identify the specific portion of the procedure that must be monitored as well as the methodology for monitoring;
- Review the monitoring results against the operational control requirements; and
- Operational control may be executed through a combination of procedures and instructions.

Implementation Approach

- Identify the operations and activities that are associated with significant HSE impacts
- Establish and implement a procedure for developing, communicating, implementing, and maintaining operational controls
- Develop standard operating procedures (work instructions prepared as part of ISO 9000 process and being reviewed as part of PSM) for the operations and activities that are related to the significant HSE impacts
- Use the existing platform from the quality management system to develop the standard operating procedures

- Communicate information pertaining to operational controls to the appropriate outside suppliers and contractors if their activities are related to the identified significant impacts

III. F. Emergency Planning and Response/Incident Investigation

Purpose

Establish and maintain a procedure for identifying and responding to accidents and emergency situations, and preventing and mitigating the HSE impacts associated with these situations. Review and revise where necessary the emergency preparedness and response procedures. Periodically test such procedures where practicable. The procedures need to be reviewed and revised after an emergency situation occurs to ensure effectiveness.

A general overall procedure will need to be developed which links to various documents required by regulation and provides for the identification of and response to the HSE aspects of various accident and emergency situations. The existing emergency response processes will likely be the basis for addressing this element.

Implementation Approach

- Use BASE Observations and Safety Audits to identify potential accidents and emergencies
- Utilize Root Cause or Tap Root analysis for all accident investigations
- Develop and implement a procedure for responding to accidents and emergencies that focuses on preventing and mitigating the impacts that come from the accident or emergency
- Review and revise the ERP as necessary, especially after an accident or emergency occurs
- Test the ERP periodically

III. G. Pollution Prevention

Purpose

Define an internal program of source reduction by preventing, reducing, recycling, reusing, and minimizing waste and emissions, including procedures to encourage material substitutions. Source reduction includes equipment or technology modifications, process or procedure modifications, reformulation or redesign of products, substitution of raw materials, and improvements in housekeeping, maintenance, training, or inventory control.

Implementation Approach

A pollution prevention program should contain the following elements at a minimum:

- Demonstration of support by top management to ensure that pollution prevention becomes a HSE objective
- Identification of waste generation and waste management costs (a waste accounting system)
- Periodic pollution prevention assessments to ensure that pollution prevention opportunities continue to be sought at all process points where materials can be prevented from becoming waste
- A cost allocation system wherever practical and feasible to allocate the true costs of waste management to the activities responsible for generating the waste
- Review of program effectiveness periodically to provide feedback and identify potential areas for improvement

III. H. Change Management

Purpose

Facility change management controls and procedures are an important part of an effective HSE management system. Facility changes should be reviewed during the initial planning stages to enable the evaluation of potential HSE issues and to allow time to build in controls, as necessary. Additionally, the facility change management process should allow for the review of potential HSE regulatory requirements (e.g., permit modifications) with enough lead time to get the appropriate regulatory agency approvals.

Changes to materials used (including chemical substances) may result in changes to the HSE aspects. New chemical substances or modifications in usage of existing chemical substances should be reviewed during the research and development stage, if possible, to evaluate potential changes to HSE aspects and their significance, as well as potential legal or regulatory requirements.

IV. MONITORING AND EVALUATION

IV. A. Monitoring and Measurement

Purpose

Define the process to regularly monitor and measure the key characteristics of operations and activities that could have a significant impact on worker safety or the environment. Establish a mechanism to evaluate compliance with relevant HSE requirements, including laws, regulations, permits, customer directives, and industry standards. In general, the monitoring and measurement component of the HSE management system should include the following elements:

- Monitor the implementation of relevant management procedures and operational controls for each activity or process associated with significant HSE impacts;
- Monitor the performance of the overall HSE management system, based on conformance to the HSE Policy, progress in meeting established objectives, and implementation of required procedures; and
- Monitor compliance with relevant federal, state, and local legal requirements and other standards (both internal and external) that are applicable.

Ensure that routine HSE monitoring functions already performed to ensure compliance with relevant regulatory requirements (such as IH sampling, calibration processes, and wastewater discharge monitoring) are included in the HSE management system. Similarly, ensure that there are mechanisms to monitor compliance with regulatory and other requirements.

Establish HSE performance metrics that address stakeholder expectations and requirements. Evaluate the efficacy of existing performance metrics and strive for a balance between the types of metrics employed (end-of-process and in-process measures; lagging and leading indicators; etc.). Use metrics to drive improvement in HSE performance, rather than simply report performance. Capitalize on existing processes (such as the scoring system in Valspar's HSE audit process) that produce information that is important in evaluating HSE performance. Address return on investment (return on HSE) principles in demonstrating the business value of the HSE management system. Communicate performance relative to the established metrics on a regular basis.

Implementation approach

- Inventory all existing monitoring and measurement processes, procedures, equipment, calibration procedures, reports, etc.
- Identify and develop leading indicators from accident investigations to improve performance
- Identify and address any gaps in the existing monitoring and measurement system
- Establish documented procedures for all critical monitoring and measurement procedures to ensure proper coverage, implementation, analysis, reporting, and linkage to corrective action where necessary
- Evaluate existing compliance monitoring processes to ensure comprehensiveness and objectivity
- Establish HSE performance metrics that will truly measure performance rather than spurious end results

IV. B. HSE Management System Audit

Purpose

Define the process for periodically assessing the performance of the management system and identifying needed improvements. This process can be conducted by either internal or external reviewers (or a combination of both) and should be designed in such a manner that relatively continual assessment feedback is being provided to management. The scope of the HSE management system audits should address the following questions:

- Does the design and content of the HSE management system conform to accepted standards including Valspar requirements?
- Are operational controls associated with significant HSE impacts being effectively implemented?
- Is satisfactory progress toward meeting HSE objectives being made?
- Are stakeholder expectations being met (both internally and externally)?

The HSE management system element should be addressed through a coordinated process of assessment activities that are routinely implemented with a high degree of independence and objectivity.

V. REVIEW AND IMPROVEMENT

V. A. Management Review

Purpose

Define a process for the periodic review of the HSE management system to ensure that the system has continuing suitability, adequacy, and effectiveness. This management review should take into account results of HSE monitoring and measurement processes, HSE management system audits, and progress toward planned objectives and targets. The management review process should also review the need to address possible changes to the HSE policy, objectives, and other components of the management system in light of changing circumstances and the overall commitment to continual improvement.

The following elements should be addressed in the management review process:

- Review objectives and HSE performance indicators to establish their continued suitability in light of changing HSE impact and concerns, regulatory developments, concerns among interested parties, market pressures, and internal changes/organizational activity changes;
- Determine if HSE targets are being met;
- Determine if capital resources are adequate for supporting HSE requirements and needs;
- Review regulatory compliance and HSE requirement compliance achievement; determine root causes of systemic nonconformances;
- Determine if the operational controls, procedures, corrective actions, preventive measures, continuous improvement approach, and improvement efforts have resulted in enhanced HSE performance; document changes that result in process improvement;
- Determine areas of improvement in organizational structure, staff expertise, practices, administrative and operational procedures, training, work instructions, process improvements, pollution prevention programs, energy utilization, accounting practices which may lead to HSE opportunities and increased profit margins; and
- Formulate corrective actions, preventative measures as a result of the review of system nonconformances and verify that corrective actions are effective and appropriate.

Implementation Approach

- Identify and evaluate existing management review processes (both HSE and non-HSE) for applicability for this component of the system
- Establish a management review process that addresses the elements described above

- Ensure that the management review process is integrated to the maximum extent possible into business review functions so as to not isolate this critical HSE management function
- Schedule management reviews on a frequency commensurate with the need for direct management involvement in the HSE management system
- Establish a mechanism to follow-up on all needs identified in the management review process
- Communicate the results of management reviews as appropriate; at a minimum, report overall HSE performance metrics to employees

V. B. MANAGING NONCONFORMANCE

Purpose

Establish and maintain a procedure that defines the responsibility and authority to handle and investigate nonconformance. A nonconformance is defined as any item, activity, process or procedure that does not meet the requirements of the standard and/or the elements of the organization's HSE management system. The procedure should define who is responsible for mitigating any impacts that are caused by the nonconformance, as well as initiating and conducting corrective and preventive action.

The corrective action that is taken must be appropriate to truly correct the nonconformance. Any changes which are incorporated as a result of corrective and preventive action should be implemented and recorded on the documented procedures needing to be changed. Procedures need to be maintained for defining responsibility and authority, investigating nonconformances with the HSE management system and taking action to correct impacts when requirements are not met. If there is a pattern of non-conformance recognizable, good policy is to register the corrective action and report it. Usually, corrective actions are the responsibility of the supervisor in a department, because corrective actions are usually aimed at the behavior of individuals.

Implementation Approach

- Identify existing processes for handling HSE issues, concerns, incidents, etc.
- Develop a central location for tracking these issues that have been identified
- Design an overall process for handling situations defined as HSE management system nonconformances
- Link this process to established management review processes to ensure as much integration of HSE management into the overall business

- Implement the management review process as early as possible to fully engage management and establish the support necessary for success

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